

Attachment 2

BURLINGTON ELECTRIC DEPARTMENT SERVICE QUALITY & RELIABILITY PERFORMANCE, MONITORING & REPORTING PLAN

Section I: General Provisions

- A. The purpose of this plan is to establish performance standards, and performance monitoring and reporting for electric service provided by the Burlington Electric Department ("BED"). The plan shall be referred to throughout this document as the "Plan."
- B. The parties to the Plan are BED and the Vermont Department of Public Service ("DPS").
- C. Section II establishes the measurement and reporting protocols for the performance standards, and Section III of the Plan establishes performance areas in which BED will monitor, report and be subject to minimum performance standards, and, except where otherwise specified, establishes minimum performance standards. Section IV of the Plan consists of customer service commitments and guarantees to be offered by BED subject to Public Service Board ("PSB") approval of a tariff amendment containing the guarantee to be filed within thirty (30) days of PSB approval of this Plan.
- D. The Plan shall remain in effect for two years from the date of approval by the PSB. BED and DPS will attempt to negotiate a successor plan which may include financial penalties and/or incentives tied to performance and which shall be submitted to the PSB for approval at least 90 days prior to the expiration of the Plan. The PSB shall resolve any disputes between the parties concerning the successor plan. By entering into this Plan, the parties do not waive and hereby expressly reserve all rights under the law.
- E. Nothing in this Plan shall preclude the use of any other remedies available under law for addressing substandard performance.
- F. If changes in law or PSB rules require modifications to the standards contained in the Plan, the parties agree to negotiate such modifications as may be needed and submit any resulting modifications or disputes to the PSB for approval or resolution.
- G. In addition to the performance standards and measurements set forth in this document, BED will adhere to the following time frames for response to consumer and regulatory complaints.
 - 1. BED shall provide a substantive response to consumer complaints expressed directly to the company within 14 calendar days of receipt by any method of contact.
 - 2. BED shall provide a substantive response to consumer complaints from the DPS within 14 calendar days of receipt by any method of contact.
 - 3. If BED needs additional time to respond fully to a complaint from a consumer or from DPS, BED shall within the initial 14 calendar day period request specific additional time for response and shall provide a proposed resolution within the requested additional time.

Section II: Measurement and Reporting Protocol

- A. BED shall begin performance monitoring in accordance with this Plan on January 1, 2004. Monitoring periods shall be calendar quarters, with quarterly reports submitted to the PSB and

DPS by the last day of the month following the end of each quarter. Since performance monitoring has already commenced, the parties agree to modify as necessary the performance monitoring plan in order to bring it into compliance with the final Board Order.

- B. Performance results shall be reported quarterly to the PSB and DPS. The parties shall jointly develop an electronic reporting format. Quarterly reports shall include monthly and quarterly data and annual averages. Achievement of minimum standards shall be determined on the basis of a twelve-month rolling average updated quarterly. A minimum performance standard shall be considered met if, in each quarter's reporting, the twelve-month rolling average met or exceeded the standard. Quarterly reports shall include a report of the number and amount of credits given in the form of service guarantees, broken down by guarantee, and the number of times BED failed to meet each service guarantee included in the plan. The quarterly reports shall also include the number of times BED fulfilled each service commitment to ratepayers by service commitment.
- C. Performance shall be evaluated and reported to one decimal place for all performance areas unless otherwise specified. Actual performance shall be rounded up when the second decimal place is more than 5. BED shall retain all of its reports that support the results for each of the performance areas for a period of not less than 24 months after the results are reported. BED shall provide these reports upon request to the PSB and DPS.
- D. BED shall review with DPS any changes to BED's measurement protocol or to the internal reporting methods that are used to obtain the data measured prior to BED's implementation of such changes. If the DPS and BED are unable to agree on the changes requested, nothing in this Plan shall preclude DPS from seeking appropriate relief from the PSB. BED shall have an affirmative duty to report missing data or other events that could reasonably affect the quality of the data at the time BED becomes aware of such events. Any data related to the SQRP reported to DPS that reflects significantly altered measurement procedures or internal data acquisition methods that have not been agreed to between BED and DPS shall be subject to challenge and potential exclusion from results.
- E. BED may seek a waiver of any applicable performance standard from the PSB. A waiver may only be granted based on exceptional circumstances. The burden shall be upon BED to demonstrate that its level of preparedness and response was reasonable in light of the cause of the failure.
- F. Definitions:
 - 1. Disconnect/Reconnect: Electric power in a location must temporarily be disconnected and reconnected at the customer's request by the physical disconnection of the electric service cable, usually to ensure safety during work being completed at the location.
 - 2. Escalation: A complaint to the utility or to DPS in which, after investigation, the utility or DPS determines that the utility could and should reasonably have taken different action in the first instance prior to the filing of the complaint by the consumer and, therefore, that the consumer's complaint is justified. In the case of complaints to DPS, it shall be in the

sole discretion of the Consumer Affairs & Public Information Division to classify such complaints, subject only to review by the Division Director. Upon request of BED staff at the time the complaint is investigated, DPS shall inform BED of a determination of an escalation. In addition, DPS shall provide quarterly complaint reports to BED.

3. Estimated Bill: A bill rendered without an actual meter read for that billing cycle.
4. Emergency Outage: An outage requiring immediate action resulting from severe weather, equipment failure or system disturbances caused by events outside the control of BED.
5. Grievance: A consumer complaint registered with the DPS's Consumer Affairs & Public Information Division in which one of the two following determinations is made: (1) following investigation, the DPS determines that there was nothing the company could or should have done differently before the consumer contacted DPS; or (2) DPS determines investigation is not appropriate or necessary and therefore no determination has been reached as to whether there was something BED could or should have done differently before the consumer contacted the DPS.
6. Initial/Final Read: Any customer requests to either establish or discontinue service at the meter.
7. New Line Extensions: New service installation in which one or more poles must be installed to carry a primary distribution circuit; and/or a primary underground distribution circuit must be installed for the purposes of servicing new customer(s). New Line Extensions require a payment by the customer for "Contribution in Aid of Construction."
8. New Service: A primary circuit exists and/or only a transformer and/or a service connection (secondary cable) are needed and there is no customer payment.
9. Normal Business Hours: "Normal business hours" are 8 a.m. to 6 p.m. Monday through Friday excluding days on which legal holidays are observed and BED is closed to routine business operations.
10. Street Light New Installation: BED installs BED-owned street lighting. BED also installs security/leased lighting at the request of the customer and upon approval of the City's Planning and Zoning office.
11. Street Light Maintenance: BED makes repairs to BED-owned street and security/leased lights.
12. Temporary Service: A secondary service is installed for a customer-specified period of time. Primary conductors exist to the site.
13. Weather-related delays: These are the delays referred to in the "not ready" exclusions described in the work completion performance measure (Section III, Paragraph C) as defined by the Agreement between BED and International Brotherhood of Electrical

Workers Local #300, effective through June 30, 2004, which states:

Article 9.6 Inclement Weather

As a result of inclement weather increasing the risk of injury for those positions which involve working with energized electric lines the Department will apply this Inclement Weather Policy.

- a. When the outside temperature is at or below 0°F or at or above 90°F, measured without the wind chill factor or a heat indicator, affected employees will not be assigned to outdoor work involving energized electric lines. When determining whether such employees will be assigned to outdoor work when the temperature is near 0°F, the appropriate supervisor will take into consideration the effect of the wind chill factor. The temperature will be determined by the National Weather Service, at the Burlington International Airport. In addition, the BED will not assign said employees to perform outdoor work involving energized electric lines when periods of rain and/or snow create a safety risk as judged by the appropriate supervisor's discretion.

Section III: Performance Standards

- A. Call answering performance measures: Since BED does not have an automated call administration system (ACD), Customer Service answering performance will be measured based on consumer complaints. Consumer complaints to DPS, determined after investigation to be "escalations," in which the consumer complains he or she could not reach the utility shall not exceed five percent (5%) of all consumer complaints concerning BED and filed by consumers with DPS. Complaints shall include both escalations and grievances. In the event BED installs the capability to measure customer service answer time during the effective dates of this Plan, including either or both time to initial call by a receptionist and time in queue to reach a customer service representative, BED shall report call answer time and shall meet a standard of 75 percent of calls reaching a customer service representative in 20 seconds.
- B. Billing performance measures:
 1. Bills not rendered within seven (7) days of the monthly billing cycle: This standard tracks the percentage of bills not rendered within seven (7) days of the scheduled billing date. The measurement will exclude accounts that were activated after the normal reading cycle for the current month's billing. It shall be calculated as follows:

$$\frac{\text{Number of bills not rendered within 7 days of the scheduled billing cycle}}{\text{Total Number of bills schedule to be rendered in the monthly billing cycle}}$$

Bills not rendered within 7 days of the scheduled billing cycle shall not exceed 0.1%.

2. Bills found inaccurate: This standard tracks number of bills sent to consumers that are found to be inaccurate after mailing. This includes all bills that are determined to be inaccurate as a result of consumer complaints and those found to be inaccurate by the utility (after being sent to the customer). Inaccurate bills shall be measured by the number of miscellaneous corrections plus cancelled and re-billed accounts as recorded in the Customer Information System. This standard does not include bills found to be inaccurate strictly as a result of estimation.

$$\frac{\text{Number of bills determined to be inaccurate}}{\text{Total number of bills rendered for the billing month}}$$

No more than 0.1% of total bills rendered in a month shall be determined to be inaccurate.

3. Percent of bills estimated: This standard tracks the percentage of bills estimated monthly in relation to the number of bills rendered. It shall be calculated as follows:

$$\frac{\text{Number of bills estimated}}{\text{Number of bills rendered}}$$

No more than 0.5% of total bills rendered monthly shall be estimated.

C. Work completion performance measures:

1. Average days to completion of line extension from the date the project is ready for construction: This standard tracks the average number of days from the date the project is ready for construction to the date of completion. "Ready for construction" shall mean all necessary rights of way are in place, all necessary paperwork required of the consumers has been received by BED, and all required fees have been paid. Performance shall be calculated as follows:

$$\frac{\text{Days to completion of all line extensions}}{\text{Total number of line extensions}}$$

No standard shall be proposed at this time, pending completion of a two-year tracking period to commence January 1, 2004.

2. Percent of customer requested work completed on or before promised delivery date: This standard tracks the percentage of jobs resulting from customer requests for meter related or other customer requested work that are completed on or before the promised completion date. This standard includes "initial/final reads" and "check readings" completed by the end of the promised day. Additionally, it includes the following line work: line extensions, new service, disconnects/reconnects (not associated with non-payment), street light maintenance, street light new installations, and temporary service installation. When an event outside of BED's control occurs, including a weather-related delay, resulting in work not being completed as promised, BED will renegotiate the promised delivery date with the customer. These events include but are not limited to the

following: meter socket not installed correctly; energizing permit not issued; customer site work or tree trimming not completed; customer underground conduit/trenching not completed; and weather-related delays. Renegotiated jobs will be reported as 'completed on or before' based on the new renegotiated date not the original date. Performance shall be calculated as follows:

$$\frac{\text{Number of jobs completed on or before promised date less exclusion}}{\text{Total number of jobs completed}}$$

Average performance in this area shall meet or exceed 95%.

3. Average number of days after the missed delivery date: This standard measures the average number of days that elapse between the original due date and the date of completion for any customer-requested work that is not completed on or before the date promised. Delay days shall be measured for all customer requested work listed in paragraphs (1) and (2) above. Weather-related delays shall be excluded. Excluded from both the numerator and denominator of the measure will be work that:
 - a. Was internally generated at BED's initiative.
 - b. Is delayed at any customer's request or customer was not ready for work to be performed.

Performance shall be calculated as follows:

$$\frac{\text{Total number of delay days}}{\text{Total number of jobs not completed by the promised delivery date}}$$

Average performance in this area shall not exceed 5 days.

- D. Customer satisfaction performance measures: The level of BED consumer satisfaction shall be measured on the basis of escalations to the DPS. Escalations shall not exceed 2 per 1000 customers per year. In addition, BED shall develop and maintain an internal system for monitoring consumer complaints directly to the utility. Records of consumer complaints and their resolution shall be made available for inspection upon request.
- E. Worker safety performance measures:
 1. Lost Time Incident Rate: The number of lost time cases experienced by BED in a calendar year multiplied by 200,000 and divided by the total hours worked by BED employees or:

$$\frac{\text{Number of lost time cases} \times 200,000}{\text{Total hours worked by BED employees}}$$

Lost time cases for purposes of this Plan are the total number of incidents that cause an injury that results in the employee missing *full* days of work beyond the day of the incident

as a result of an injury sustained while performing work for BED.

BED's ultimate Lost Time Incident Rate will be less than or equal to 3.5.

2. Lost Time Severity Rate: The number of employee lost days experienced by BED in a calendar year multiplied by 200,000 and divided by the total hours worked by BED employees or:

$$\frac{\text{Number of employee lost days} \times 200,000}{\text{Total hours worked by BED employees}}$$

Lost time days is the total number of full workdays missed by employees due to a work-related injury or illness.

BED's ultimate Lost Time Severity Rate will be less than or equal to 71.

F. Reliability performance measures:

1. System average interruption frequency ("SAIFI"): This standard is defined in Public Service Board Rule 4.901.

BED's baseline measure for SAIFI is 2.2. The standard is met as long as

SAIFI does not exceed 2.2 in the calendar year.

2. Customer average interruption duration ("CAIDI"): This standard is defined in Public Service Board Rule 4.901.

BED's baseline measure for CAIDI is 1.3. The standard is met as long as

CAIDI does not exceed 1.3 in the calendar year.

3. Worst-Performing Areas: For each calendar year, BED shall identify the areas on its system where most outages occur, identify the factors underlying the performance of these areas, and institute economically feasible measures to improve the reliability of these areas. All areas which have been identified shall be monitored each year, over a five-year period, to determine the effectiveness of the improvement measures and to identify further measures that may be required.

4. Major Storms: Calculation of SAIFI and CAIDI indices shall be net of outages caused by major storms. A major storm is defined as a severe weather event that satisfies the following criteria:

Extensive damage to the utility infrastructure has occurred; and

More than 10% of Municipal Utility customers are out of service due to the storm or the storm's effects; and

At least 1% of the customers in the service territory are out of service for at least 24 hours.

5. VELCO System: BED shall not exclude from its calculation of SAIFI and CAIDI outages caused by the operation of VELCO's under voltage relays at East Avenue substation, Queen City substation or Essex substation, unless specific waiver has been granted for such exclusion.

Section IV: Service Commitments

A. BED offers the following service guarantee and commitments to its consumers:

1. New Service/Temporary Installation: BED shall install a service cable or service connection within (5) days of notification that all pole ownership agreements have been satisfied and approval from the City of Burlington's Wire Inspector that all customer requirements have been met.
2. Meter-related tasks: In the event BED is unable to perform customer-requested meter readings, meter accuracy verifications (not more than once per 12 months) and initial/final meter readings within 24 hours of such a request being made (time between the end of BED's normal business hours on Friday or the day before a holiday and the beginning of BED's next normal business hours shall not be counted against this limit) and the delay is not due to a Weather-related Delay (defined earlier) or preempted by a service outage, BED shall provide the customer a \$5.00 credit on their next normal electric bill.
3. Disconnects and Reconnects: (other than for failure to pay): BED shall make disconnects or reconnects within three (3) business days of a valid request.
4. Bill accuracy: BED shall render bills that accurately reflect the meter reading or estimate based on prior usage.
5. Streetlight and outdoor light repairs: BED will repair within seven (7) business days of outage notification by the customer. Measurement shall begin when the Distribution area or Dispatch office of BED is first notified.
6. Streetlight installation: BED will complete new installations of less than three (3) streetlights within seven (7) business days of order or on the date promised, whichever is later. This guarantee shall apply to orders of less than three (3) streetlights and where the existing poles and electric service for the light fixtures already exist. Measurement begins when the Distribution area or Dispatch office of BED is first notified of the problem.
7. Notification of right-of-way clearing: Prior to any routine or planned right-of-way clearing, BED shall make every attempt to provide advance notice to affected landowners by either

personal contact and/or public posting or advertising.

8. Notification of planned outages: BED shall make every attempt to give advance notice of the time and day of Planned outages affecting more than 200 customers by either personal contact and/or public posting or advertising.
9. Weather-related delays or work preempted by an emergency outage will extend the completion dates for the Service Commitments work. Weather-related delays are defined in Section II of this plan.